

Minutes from the September 30, 2003 MSFC PMC  
Prepared by VS10/Rich Gladwin

DA01/Dave King chaired the meeting. DD01/Rex Geveden explained that the Special PMC was to be called to serve as an interim governing body for full cost institutional decisions. The PMC will be used in an advisory role until a final decision is made on the composition of a full cost governing body. The PMC was selected to increase synergy between programs/projects and the institution. Mr. Geveden stated that today's meeting was strategic in nature and that a second meeting would be convened for the tactical part of implementing full cost accounting. Sheila Cloud reviewed the meeting agenda. The agenda consisted of: (1) PMC Objectives, (2) Role of EIS, (3) MSFC Institutional Schedule, (4) Full Cost Overview, (5) MSFC Pool Structures and Content, (6) FY04 Full Cost Operations Rules of Engagement, (7) FY04 Funds Distribution, (8) POP 03 Institutional Status, (9) FY04 Institutional Review.

Ms. Cloud outlined the steps needed to perform full cost accounting in FY04. Mr. Bilbro asked if the Center's investment process was defined. Ms. Cloud replied that a team was chartered to accomplish this. RS/Frank Mayhall presented an overview of how full cost accounting will be implemented at MSFC. Chris Singer asked if labor rates would be stable. Frank Mayhall responded that rates would not be stable until after completion of the institutional review. Rex Geveden asked how often the rates would be adjusted. Frank Mayhall replied that rates would be adjusted approximately twice a year. Dave King added that was important to keep rates stable and that rules would be set to help keep rates stable. Rex Geveden asked when the budgeting model would be ready in IFM. Frank Mayhall replied that the model would be ready in February 2004. Frank Mayhall next explained that total program costs would include direct costs, service pool costs and G&A costs. Programs and projects will try to maximize direct costs. Tony Lavoie asked when service agreements would be finalized. Frank Mayhall replied that manpower agreements would be finalized after the POP. Rex Geveden asked if service pools provide more work than originally planned, would the rates be lowered. Frank Mayhall said that either a refund would be given back to the project or that rates would be lowered the following year. Chris Singer asked if CDDF would be included in Center G&A. Frank Mayhall responded that CDDF was included in Center G&A. Bill Kilpatrick asked if science and engineering service pools were all the same. Frank Mayhall replied that there were different rates to encourage ways to streamline and to cut costs. Some facility costs could be moved to Center G&A to subsidize essential facilities that aren't fully utilized. As a potential cost saving option, PMC members discussed the possibility of restructuring support contracts to allow them to throttle their manpower up and down based on mission needs. Next the PMC discussed service pools rates. Service pool rates are based on estimated need. Actual usage may result in lower or higher costs. The following decision was made.

*PMC decision: Service pools will reconcile accounts after FY04 .*

The PMC discussed how travel and training is covered in the service pools. Specifically the question of rotational assignments was discussed. The following decision was made:

*PMC decision: As a general rule, the receiving project will pay for extended TDY rotational assignment expenses. If rotational assignments are to be funded by Center G&A, the PMC must approve this exception.*

Frank Mayhall discussed the templates that will be used to collect center workforce information. The information will help identify shortfalls and excess capacity in workforce and to better define the service pools and Center G&A. A question was raised as to what projects should be supplying information for the templates. Rex Geveden asked that project names be included in the excel spreadsheet being used to collect the workforce information. Rex Geveden also asked that consideration be given to expanding the existing council membership to include additional representation from MSFC projects.

The meeting was then concluded.

### **Council Member Attendance for MSFC PMC – September 30, 2003**

Name	Organization
<u>COUNCIL MEMBERS</u>	
Dave King	DA01
Rex Geveden	DD01
Axel Roth	DE01
Lisa Roberts (for Dale Thomas)	VS01
Frank Mayhall	RS01
Bill Kilpatrick	ED01
Chris Singer (for Denny Kross)	TD01
Tony Lavoie	FD01
Ann Whitaker	SD01
Jan Davis	QS01
Steve Beale	PS01
Tereasa Washington	CD01
Charles Scales	OS01

Secretary's note: The attendance sheets for non-council members were not returned at the conclusion of the meeting so there is no record of others who attended..